

North Carolina Department of Insurance



**Liquidator
of
Commercial Casualty Insurance Company
of North Carolina**

CLAIMS BAR DATE JUNE 30, 2006

**(in California, d/b/a Environmental and
Casualty Insurance Company)**

PLEASE KEEP THIS MATERIAL

PLEASE READ THIS MATERIAL IN ITS ENTIRETY

**FAILURE TO FOLLOW THE CLAIMS
SUBMISSION INSTRUCTIONS HEREIN
WILL RESULT IN DENIAL OF YOUR CLAIM**

NOTICE

TO THE POLICYHOLDERS, DEBTORS, PRINCIPALS, OBLIGEEES,
CLAIMANTS, CREDITORS AND ALL OTHER PERSONS INTERESTED
IN THE AFFAIRS OF

COMMERCIAL CASUALTY INSURANCE COMPANY OF NORTH CAROLINA IN LIQUIDATION

CLAIMS BAR DATE 5:00 PM EDT, JUNE 30, 2006

(In California, d/b/a **Environmental and Casualty Insurance Company**)

NOTICE IS HEREBY GIVEN:

The Superior Court of Wake County, North Carolina ordered Commercial Casualty Insurance Company of North Carolina (Commercial Casualty) into liquidation on April 2, 2004. James E. Long, Insurance Commissioner of North Carolina, was appointed the Liquidator, and was ordered to take possession of Commercial Casualty's property and to liquidate its business. The Commissioner appointed Boyce Oglesby as his Special Deputy Commissioner for the liquidation. A copy of the Liquidation Order may be downloaded at the Liquidator's website at www.radtrust.com or may be requested in writing at the address provided at the end of this document.

All references to "Commercial Casualty" herein shall include Environmental and Casualty Insurance Company, the name under which Commercial Casualty did business in the state of California.

The Order of Liquidation enjoins all persons from instituting or continuing any action at law or in equity or any attachment or execution against Commercial Casualty.

All persons indebted to or having any property of Commercial Casualty in their possession are hereby notified to tender an account of the indebtedness and to pay the same and deliver such property to the Liquidator.

This information is important. It is recommended that you read it carefully before contacting the Liquidator's Office with questions. You may also want to consult your attorney or insurance advisors before you proceed.

Policyholder Claims :

Guaranty Association Coverage: Certain policyholder claims may be covered by applicable state guaranty associations based on the insured's residence or location of property. The state guaranty associations were created by state law to provide protection to insureds in the case of insurance company liquidation. The various state laws govern the claim eligibility and limits of the guaranty associations. Commercial Casualty insureds who reside in the following states may have a covered claim:

California
Florida
Georgia
Indiana

Louisiana
Nevada
New Mexico
North Carolina

Pennsylvania
South Carolina
Washington

Claims which are the responsibility of a guaranty association have been or will be forwarded to the guaranty association as appropriate. Claim payments usually begin within 90 days after the liquidation order is issued. However, the waiting period from the time of submission will vary based on the number of claims received and the time claims are submitted.

Policyholder claimants will need to complete and return the enclosed proof of claim form as soon as possible but no later than **5:00 PM EDT on June 30, 2006**. (See below for additional information.) Payments may be delayed or denied by failure of not filing the proof of claim on a timely basis.

Claims Not Covered by a Guaranty Association: If a policy was written in a state not included in the list provided above then the policy is not likely to be covered by the state guaranty association. Questions regarding the guaranty association responsibilities should be addressed to the guaranty association in the state in which you reside. A list and contact information of the property and casualty guaranty associations is enclosed.

Insureds with claim(s) not covered by a guaranty association will need to provide for their own defense and settle their own claims. Insureds who must settle their own claims may include the reasonable costs of such defenses in their proof of claim. Some claims based on surplus lines policies may be funded by special deposits. The claimant should contact their State Department of Insurance to determine if such funds are available.

Claims which are not covered by a guaranty association in whole or in part become claims against the Commercial Casualty estate and will be paid on a prorata basis at some time in the future to the extent funds are available. It is important to note that although Commercial Casualty is insolvent, it has assets, including reinsurance that must be collected by the Liquidator. Therefore, it is anticipated that there will be sums of money to distribute to certain claimants in accordance with distribution priorities set by law. Claims for losses under policies of insurance have the highest priority for payment other than administrative expenses of the Liquidator.

It will take some time before these assets are collected and the distribution amount can be determined. Nevertheless, to participate in a distribution a proof of claim must be filed timely (see below for additional information). It is important that Commercial Casualty be fully advised of all developments in these cases so that Commercial Casualty can use this information to recover funds from reinsurers and thereby increase the distribution to creditors.

Policyholder Claim Notification:

Outstanding Claims: If a claim has already been reported to Commercial Casualty only a proof of claim form must be submitted as instructed below. It is not necessary to attach additional documentation to the form. Pending claim files are in the process of being shipped to the appropriate guaranty association as applicable.

Unreported Claims: If a claim has not been reported to Commercial Casualty, a proof of claim form and required documentation must be submitted as instructed. Some state guaranty associations have statutory claim filing provisions which will prohibit payment by the guaranty association after a certain period of time has elapsed after the loss date of the claim. In many instances that date is the **June 30, 2006** date set by the Liquidator, but in some instances, it is a date before **June 30, 2006**. Therefore, it is important to promptly file a claim by completing the proof of claim form.

Third Party Claimants: A third party claimant represents individuals that have a claim against a Commercial Casualty policyholder which may be covered by the insured's policy. If you file a claim with the Liquidator, filing of the claim shall operate as a release of the insured's liability to you on that cause of action in the amount of applicable policy

limits. If coverage of the claim is avoided by the Liquidator, this release becomes null and void.

Proof of Claim:

If you have a claim to pursue against Commercial Casualty, you must file a completed proof of claim form with the Liquidator by the bar date. To file by the bar date the proof of claim form must be **postmarked no later than June 30, 2006 or received by Liquidator no later than 5:00 PM EDT on June 30, 2006**. Failure to file a timely claim may result in denial of your claim.

The mailing address for the Liquidator is:

Proof of Claim Department
Liquidator of Commercial Casualty Insurance Company of NC
P.O. Box 926270
Norcross, GA 30010-6270

Detailed filing instructions are provided on the back of the enclosed proof of claim. If you have more than one claim against Commercial Casualty a separate proof of claim must be submitted for each claim. You may make copies of the proof of claim form, request additional copies from the Liquidator using the address above or download the form from the Liquidator website at www.radtrust.com

A proof of claim must be filed even if a claim was made against Commercial Casualty prior to liquidation. Whenever a claim is based upon an instrument in writing, a copy of the document should be attached to the proof of claim. If the document has been destroyed, a statement of the facts and circumstances of the loss must be filed, under oath, with this claim.

Change of Address:

You are required to notify the liquidator of a change of address. If you fail to do so, you may jeopardize recovery from this estate.

Frequently Asked Questions:

Included in this Notice as well as at the Liquidator's website, www.radtrust.com, is material which answers frequently asked questions regarding the liquidation process. Please review this material carefully.

Contact Information:

General questions about the liquidation procedures should be addressed to:

Liquidator of Commercial Casualty Insurance Company of NC
P.O. Box 926270
Norcross, GA 30010-6270

Phone: (678) 298.1284 Fax: (678) 298.1384 E-Mail: Liquidator@ccic-nc.com

This Notice and the information contained herein are in summary form and may not contain all necessary information for your particular situation. You are urged to consult an attorney if you have any questions. All claims are subject to payment only in accordance with applicable law.

**Frequently Asked Questions
regarding the Liquidation of
Commercial Casualty Insurance Company of North Carolina
CLAIMS BAR DATE JUNE 30, 2006
(In California doing business as:
Environmental and Casualty Insurance Company)**

The Superior Court of Wake County, North Carolina has declared Commercial Casualty Insurance Company of North Carolina (Commercial Casualty) insolvent and has ordered the company into liquidation effective April 2, 2004. The North Carolina Commissioner of Insurance, James E. Long, was named as the Liquidator and Boyce Oglesby was appointed as the Special Deputy Receiver. This booklet will help to answer frequently asked questions about making claims and the liquidation process.

1. What happens when a company becomes insolvent and is liquidated?

Liquidation is similar to bankruptcy. When a company is liquidated, the Liquidator, collects the assets of the company and verifies the liabilities such as claim payment and bills. The Liquidator then develops a plan to distribute the company's assets according to law and submits the plan to the Court for approval.

2. Will my policy be canceled because of the liquidation?

A paid Commercial Casualty policy will terminate at its normal expiration, upon replacement or May 1, 2004, whichever was sooner.

3. Since Commercial Casualty was ordered liquidated does this mean my policy is worthless?

No. Although Commercial Casualty has been placed into liquidation, the guaranty association in the state where you reside or where the property is situated may be obligated to provide coverage under insurance policies issued by Commercial Casualty subject to certain limitations. Any claim or portion thereof which is not covered by a guaranty association becomes a claim against Commercial Casualty's estate, and the amount deemed to be an allowed claim will be paid to the extent funds are available, on an equal basis with all other claims in the same category. These claims may be paid in full, in part or not at all, depending on the available assets.

4. What is a guaranty association?

A property and casualty guaranty association is established by each state and is comprised of member insurance companies which are licensed in that state. Subject to statutory eligibility and claims payment limits, each state guaranty association pays the policyholder obligations of licensed insolvent insurers for residents of that state or for the insured property in the state. A guaranty association obtains funds to meet its obligations by assessing the other member insurance companies.

5. Since my company has been placed into liquidation, who will pay my claims?

Valid and substantiated claims incurred prior to the termination of the policy will be paid, where covered, by the appropriate guaranty association, subject to policy limits and the limits of the guaranty association. The Liquidator of Commercial Casualty will forward your claim to the appropriate guaranty association. Claims which are not covered by a guaranty association or portions of claims which exceed the statutory obligations of the guaranty association become claims against Commercial Casualty's estate and will be paid at some time in the future to the extent funds are available.

6. Will my claims be paid in full by the guaranty associations?

All payments are subject to certain statutory limits contained in the various state laws creating the guaranty associations. In no case will payments exceed the applicable policy limits.

7. How long will it take for my claims to be paid by the guaranty association?

When a company is placed into liquidation, the guaranty associations are typically activated to pay claims as soon as the Court orders the liquidation. Claim payments usually begin within 90 days after the liquidation order is issued. However, the waiting period from the time of submission will vary based on the number of claims received and the time claims are submitted.

If you are a policyholder or third party claimant and you currently have a claim pending with Commercial Casualty, you need to complete and return the enclosed proof of claim as soon as possible but no later than **5:00 PM EDT on June 30, 2006**. While your claim file has already been or is in the process of being forwarded to the guaranty association, payments may be delayed by failure of not filing the proof of claim on a timely basis.

8. I have questions about what is and is not covered by the Guaranty Association. Who can answer these questions for me?

You can address your questions about the property and casualty guaranty association's responsibilities to the guaranty association in the state in which you reside. A list and contact information of the property and casualty guaranty associations is enclosed.

9. I believe I have a claim against Commercial Casualty but I am not a policyholder or a third party claimant under a Commercial Casualty policy. How do I make a claim?

Claims filed against Commercial Casualty by general creditors, stockholders, trade creditors, governmental agencies, reinsurers, cedants, agents, employees, former officers and directors and other persons interested in the affairs of Commercial Casualty are handled by the Liquidator. If you have a claim to pursue against Commercial Casualty, you must file a completed proof of claim form with the Liquidator by the bar date. To file by the bar date the proof of claim form must be **postmarked no later than June 30, 2006** or **received by Liquidator no later than 5:00 PM EDT on June 30, 2006**. Failure to file a timely claim may result in denial of your claim. The mailing address for the Liquidator is:

Proof of Claim Department
Liquidator of Commercial Casualty Insurance Company of NC
P.O. Box 926270
Norcross, GA 30010-6270

Detailed filing instructions are provided on the back of the enclosed proof of claim. If you have more than one claim against Commercial Casualty a separate proof of claim must be submitted for each claim. You may make copies of the proof of claim form, request additional copies from the Liquidator using the address above or download the form from the Liquidator website at www.radtrust.com

A proof of claim must be filed even if a claim was made against Commercial Casualty prior to liquidation. Whenever a claim is based upon an instrument in writing, a copy of the document should be attached to the proof of claim. If the document has been destroyed, a statement of the facts and circumstances of the loss must be filed, under oath, with this claim.

10. How do I file a claim against Commercial Casualty?

If you believe you have a claim against Commercial Casualty you must file a proof of claim with the Liquidator by the bar date using the enclosed form. To file by the bar date the proof of claim form must be **postmarked no later than June 30, 2006** or **received by Liquidator no later than 5:00 PM EDT on June 30, 2006**. Failure to file a timely claim may result in denial of your claim. If you have more than one claim against Commercial Casualty a separate proof of claim must be submitted for each claim. You may make copies of the proof of claim form, request proof additional copies from the Liquidator or download the form from the Liquidator's website at www.radtrust.com.

Depending on the type of claim you believe you have the following additional information is provided:

A. Personal Automobile Claims; General Liability Claims; Other Types of Insurance

If you have a policyholder claim against Commercial Casualty, it will be necessary for you to submit a proof of claim form as instructed. **Even if you have a claim already pending with Commercial Casualty you must file a proof of claim, but it is not necessary for you to attach additional documentation.** Your claim file has been forwarded or is in the process of being forwarded to the appropriate guaranty association. If your claim is a new claim, you need to submit the proof of claim form and attach documentation to support claim, as instructed.

B. Claims for the return of unearned premium and other premium refund

If you have a claim for the return of unearned premium or other premium refund, you do **NOT** need to submit a proof of claim form, as instructed. Return premiums will be paid, where covered, by the appropriate guaranty association, subject to the limits of the guaranty association.

Return premiums that are not covered by a guaranty association or a portion of the return premium that exceeds the statutory obligation of the guaranty association become claims against the estate of the Commercial Casualty and will be paid to the extent funds are available, sometime in the future.

C. Claims for agent commissions

If you were a Commercial Casualty agent and have a claim for earned commission, it will be necessary for you to complete a proof of claim form. If you have documentation to support your claim, including your most recent statement, you should provide a copy of that documentation with your proof of claim. If you do not have documentation, you should complete the information requested on the proof of claim form and submit it as directed.

D. Third Party Claimants

You are a third party claimant if you have a claim against a Commercial Casualty insured which may be covered by the insured's insurance policy. If you choose to file a claim with the Liquidator, filing of this claim shall operate as a release of the insured's liability to you on that cause of action in the amount of applicable policy limits. If coverage is avoided by the Liquidator, this release becomes null and void.

E. Contingent Claims

Under North Carolina law, a person may file a claim even if it is a "contingent claim". A "contingent claim" is one where the liability of the company is not yet determined or is dependent on the outcome of another event. In the lines of insurance Commercial Casualty wrote, persons may have insurance coverage if an insured loss occurred during the policy period, regardless of when the claim was made against or was discovered by the insured. An insured under these types of "occurrence" policies may have claims made against them or have claims brought to their attention in the future, but the basis for the claim occurred during the policy period. Such claimants are entitled to file a claim at any time during the claim filing period. Some guaranty associations require the filing of a claim before the end of the claim filing period. For maximum protection, an insured should promptly file a proof of claim for a "contingent claim" that seeks to cover any claim that is unknown at this time but may arise under their policy at a later date. If you do so, you should file a separate proof of claim for each policy. When such a claim arises the claimant should immediately inform the Liquidator of the particulars and supplement the proof of claim by providing documentation of the claim. These types of claims are also known as "policyholder protection claims" because a policyholder is claiming for the full protection afforded under the terms of their policy regardless of when they become aware of such claim. Contingent claims are not limited to only policyholder claims. If you file a contingent claim, complete Item 1 on the proof of claim form, and indicate in the space for Amount of Claim, "unknown."

F. Claims of general creditors

General creditors are persons or organizations, including law firms, trade creditors, etc., who provided services to Commercial Casualty prior to the November 17, 2003, Order of Rehabilitation, for which they were not paid, but who believe they are owed money by Commercial Casualty. If you believe you have a claim, it will be necessary for you to submit a proof of claim form, as instructed. If you have

documentation to support your claim, you should provide a copy of that documentation with your proof of claim.

G. Claims of former employees, officers and directors

If you are a former employee, officer or director of Commercial Casualty and you believe you have a claim, you must file a proof of claim form with Commercial Casualty. Use the "General Creditor" category on the proof of claim to provide the necessary information about your claim. You should attach documentation to support your claim to the proof of claim and submit it as directed.

11. How do I contact the Liquidator?

General questions about the liquidation procedures should be addressed to:

Liquidator of Commercial Casualty Insurance Company of NC
P.O. Box 926270
Norcross, GA 30010-6270

Phone: (678) 298.1284 Fax: (678) 298.1384 E-Mail: Liquidator@ccic-nc.com

General Information about Claims

The Liquidator has established **5:00 PM EDT, June 30, 2006 as the bar date.** To file by the bar date the completed proof of claim form must be **postmarked no later than June 30, 2006** or **received by Liquidator no later than 5:00 PM EDT on June 30, 2006.** Failure to file a timely claim may result in denial of your claim or consideration of your claim at a lower priority level. If you have more than one claim against Commercial Casualty a separate proof of claim must be submitted for each claim. You may make copies of the proof of claim form, request additional copies from the Liquidator or download the form from the Liquidator's website at www.radtrust.com.

Claims which are the responsibility of a guaranty association have been or are in the process of being forwarded as appropriate. Valid claims which are not covered by a guaranty association in whole or in part become claims against the Commercial Casualty estate and will be paid on a prorata basis at some time in the future to the extent funds are available.

Property & Casualty Guaranty Associations

| | |
|--|---|
| <p>Alaska Insurance Guaranty Association Northern Adjusters, Inc. Ste 100 1401 Rudakof Circle Anchorage, AK 99508 907.338.7484 FAX 907.338.6364</p> <p>Alabama Insurance Guaranty Association 2020 Canyon Road Ste 200 Birmingham, AL 35216 205.823.4042 FAX 205.979.3578</p> <p>Arkansas Dept of Ins. Liquidation Division 1023 West Capitol Avenue Little Rock, AR 72201 501.371.2776 FAX 501.371.2774</p> <p>Arizona Insurance Guaranty Funds 1110 West Washington Ste 270 Phoenix, AZ 85007 602.364.3863 FAX 602.364.3872</p> <p>California Insurance Guarantee Association P O Box 29066 Glendale, CA 91203-9066 323.782.0252 FAX 323.782.1489</p> <p>(Colorado) Western Guaranty Fund Services 1720 S Bellaire St. Suite 408 Denver, CO 80222 303.759.5066 EXT 222 FAX 303.759.5312</p> <p>(Connecticut) Guaranty Fund Management Services One Bowdoin Square Boston, MA 02114-2916 617.227.7020 FAX 617.305.6121</p> <p>Delaware Insurance Guaranty Association 220 Continental Drive, Suite 309 Newark, DE 19713 302.456.3656 FAX 302.456.3680</p> <p>(Dist. Of Columbia) Guaranty Fund Management One Bowdoin Square Boston, MA 02114-2916 617.227.7020 FAX 617.305.0121</p> | <p>Florida Insurance Guaranty Association P O Box 10366 Jacksonville, FL 32247-0366 904.398.1238 FAX 904.398.6871</p> <p>Georgia Insurers Insolvency Pool 2177 Flintstone Drive, Suite R Tucker GA 30084 770.621.9835 FAX 770.938.3296</p> <p>Hawaii Insurance Guaranty Association P O Box 4660 Honolulu, HI 96812-4660 808.528.1222 FAX 808.532.1495</p> <p>(Idaho) Western Guaranty Fund Services 1720 S Bellaire St. Suite 408 Denver, CO 80222 303.759.5066 EXT 222 FAX 303.759.5312</p> <p>Illinois Insurance Guaranty Fund 120 South LaSalle Street, Ste 1910 Chicago, IL 60603 312.422.9700 FAX 312.422.9750</p> <p>Indiana Insurance Guaranty Association 251 East Ohio Street, Suite 1070 Indianapolis, IN 46204-2143 317.636.8204 FAX 317.264.2395</p> <p>Iowa Insurance Guaranty Association 801 Grand Avenue, Suite 3700 Des Moines, IA 50309-5808 515.246.5812 FAX 515.246.5808</p> <p>(Kansas) Western Guaranty Fund Services 1720 S Bellaire St. Suite 408 Denver, CO 80222 303.759.5066 EXT 222 FAX 303.759.5312</p> <p>Kentucky Insurance Guaranty Association Hurstbourne Park Building 9200 Shelbyville Road, Suite 605 Louisville, KY 40222 502.327.0819 FAX 502.327.0851</p> |
|--|---|

Property & Casualty Guaranty Associations

| | |
|--|---|
| <p>Louisiana Insurance Guaranty Association 2142 Quail Run Drive Baton Rouge, LA 70808-4126 225.291.4775 FAX 225.293.2477</p> <p>(Maine) Guaranty Fund Management Services One Bowdoin Square Boston, MA 02114-2916 617.227.7020 FAX 617.305.0121</p> <p>Maryland Property and Casualty Insurance Guaranty Corporation 305 Washington Avenue, Suite 600 Towson, MD 21204-4715 410.296.1620 FAX 410.828.1265</p> <p>(Massachusetts) Guaranty Fund Management Services One Bowdoin Square Boston, MA 02114-2916 617.227.7020 FAX 617.305.0121</p> <p>Michigan Property and Casualty Guaranty Association PO Box 531266 Livonia, MI 48152-1266 248.482.0381 FAX 248.482.0388</p> <p>Minnesota Insurance Guaranty Association 4640 West 77th Street, Suite 342 Edina, MN 55435 952.831.1908 FAX 952.831.1973</p> <p>Missouri Property & Casualty Insurance Guaranty Association 994 Diamond Ridge, Suite 102 Jefferson City, MO 65109 573.634.8455 FAX 573.634.8488</p> <p>Mississippi Insurance Guaranty Association 713 South Pear Orchard Road Ste 401 Ridgeland, MS 39157-5004 601.957.0072 FAX 601.957.0087</p> <p>(Montana) Western Guaranty Fund Services 1720 S Bellaire St. Suite 408 Denver, CO 80222 303.759.5066 EXT 222 FAX 303.759.5312</p> <p>Nebraska Property & Liability Insurance Guaranty Association P O Box 57006, Station C Lincoln, NE 68505 402.483.2202 FAX 402.483.2587</p> | <p>Nevada Insurance Guaranty Association 2340 Paseo Del Prado, Suite 250D Las Vegas, NV 89102 702.368.0607 FAX 702.368.2455</p> <p>(New Hampshire) Guaranty Fund Management Services One Bowdoin Square Boston, MA 02114-2916 617.227.7020 FAX 617.305.0121</p> <p>New Jersey Property-Liability Insurance Guaranty Association 59-63 Mine Brook Road Bernardsville, NJ 07924 908.953.9533 EXT 539 FAX 908.953.9606</p> <p>New Mexico Insurance Guaranty Association Keenan & Associates, Inc. P O Box 14590 Albuquerque, NM 87191-4590 505.293.6600 FAX 505.293.6400</p> <p>New York State Insurance Dept. Liquidation Bureau 123 William Street, 2nd Floor New York, NY 10038 212.341.6500 FAX 212.341.6521</p> <p>North Carolina Insurance Guaranty Association P O Box 176010 Raleigh, NC 27619-6010 919.783.9790 FAX 919.783.0355</p> <p>North Dakota Insurance Guaranty Association P O Box 2634 Bismarck, ND 58502-2634 701.224.9555 FAX 701.258.9632</p> <p>Ohio/West Virginia Guaranty Funds 1840 Mackenzie Drive Columbus, OH 43220 614.442.6601 FAX 614.442.0004</p> <p>Oklahoma P & C Insurance Guaranty Assoc 2601 Northwest Expressway Suite 330E Oklahoma City, OK 73112 405.843.5454 FAX 405.843.5369</p> |
|--|---|

Property & Casualty Guaranty Associations

| | |
|--|---|
| <p>Oregon Insurance Guaranty Association 10700 SW Beaverton Highway, Suite 426 Beaverton, OR 97005 503.641.7132 FAX 503.641.7127</p> <p>Pennsylvania Property & Casualty Insurance Guaranty Association One Penn Center, Suite 1850 1617 J F Kennedy Blvd. Philadelphia, PA 19103 215.568.1007 FAX 215.568.0736</p> <p>Puerto Rico P & C Insurance Guaranty Assn PO Box 364967 San Juan, PR 00936-4967 787.775.1122 FAX 787.775.1138</p> <p>(Rhode Island) Guaranty Fund Management Services One Bowdoin Square Boston, MA 02114-2916 617.227.7020 FAX 617.305.0121</p> <p>South Carolina P & C Insurance Guaranty assn P O Box 407 Columbia, SC 29202 803.799.1560 X 19 FAX 803.779.0324</p> <p>South Dakota Property & Casualty Insurance Guaranty Association Davenport, Evans, Hurwitz & Smith PO Box 1030 Sioux Falls, SD 57101.1030 605.336.2880 FAX 605.335.3639</p> <p>Tennessee Insurance Guaranty Association Nationsbank Plaza, Suite 905 414 Union Street Nashville, TN 37219 615.242.6839 FAX 615.255.4471</p> | <p>Texas Property & Casualty Insurance Guaranty Association 9120 Burnet Road Austin, TX 78758 512.345.9335 FAX 512.795.0448</p> <p>Utah Property and Casualty Insurance Guaranty Association PO Box 1626 Sandy, UT 84091-1626 801.984.1850 FAX 801.984.1851</p> <p>(Vermont) Guaranty Fund Management Serv One Bowdoin Square Boston, MA 02114-2916 617.227.7020 FAX 617.305.0121</p> <p>(Virginia) Guaranty Fund Management Serv One Bowdoin Squire Boston, MA 02114-2916 617.227.7020 FAX 617.305.0121</p> <p>(Washington) Western Guaranty Fund Services 1720 S Bellaire St. Suite 408 Denver, CO 80222 303.759.5066 EXT 222 FAX 303.759.5312</p> <p>(West Virginia) Ohio/West Virginia Guaranty Funds 1840 Mackenzie Drive Columbus, OH 43220 614.442.6601 FAX 614.442.0004</p> <p>Wisconsin Insurance Security Funds 2445 Darwin Road, Suite 101 Madison, WI 53704 608.242.9473 FAX 608.242.9472</p> <p>(Wyoming) Western Guaranty Fund Services 1720 S Bellaire St Suite 408 Denver, CO 80222 303.759.5066 EXT 222 FAX 303.759.5312</p> <p>US Virgin Islands Insurance Guaranty Assn Guardian Insurance Company 14 AB Estate Thomas, 2nd Floor St. Thomas, USVI 00801 340.776.8050 FAX 340.774.8095</p> |
|--|---|

PROOF OF CLAIM
IN THE MATTER OF
COMMERCIAL CASUALTY INSURANCE COMPANY OF NORTH CAROLINA
IN LIQUIDATION (COMMERCIAL CASUALTY)
Deadline: 5:00 PM EDT, June 30, 2006
(IN CALIFORNIA, D/B/A ENVIRONMENTAL AND CASUALTY INSURANCE COMPANY)

FOR OFFICIAL USE ONLY
 PROOF OF CLAIM NO.:

Complete All Sections

Please Print or Type

| | |
|--|---|
| SECTION I | |
| Claimant Name: _____ Address 1: _____ Address 2: _____ City: _____ State: _____ Zip: _____ Telephone No. (____) _____ FAX Number: (____) _____ FEIN No: _____ E-Mail Address: _____ | Name of Insured: _____ Business Name: _____ Policy Number: _____ Date of Loss: _____ Claim Number (if previously filed): _____ Agent Name: _____ |

| | | | |
|---|--|-----------------------------------|--|
| SECTION II Claim is for (mark with an "X") | | | |
| 1 | | POLICYHOLDER or THIRD PARTY CLAIM | Claim by insured of Commercial Casualty under a Commercial Casualty insurance policy for POLICY BENEFITS or liability claim against an insured of Commercial Casualty for POLICY BENEFITS. |
| 2 | | GENERAL CREDITOR | Attorney fees, Adjuster fees, Vendors, Landlords, Lessors, Consultants, Cedants, and Reinsurers. |
| 3 | | AGENT BALANCES | Agents earned commissions. |
| 4 | | ALL OTHER | Describe in an attachment. If your claim is for the RETURN OF UNEARNED PREMIUM or other premium refunds, you do NOT need to complete this form. |

| | |
|--------------------|--|
| SECTION III | |
| 1. | In an attachment provide a concise statement of the facts giving rise to your claim. |
| 2. | Amount of Claim (or estimate) \$ _____ |
| 3. | Is there OTHER INSURANCE that may cover this claim? YES () NO () |
| 4. | If YES, provide name of insurer(s) and policy number(s): _____ |

| | |
|-------------------|--|
| SECTION IV | |
| 1. | Does an ATTORNEY REPRESENT you? YES () NO () If yes, provide attorney's name, address & telephone number: _____ |
| 2. | Has a Lawsuit or other LEGAL ACTION been instituted by anyone regarding this Claim? YES () NO () If YES, please provide the following: Court where Filed: _____ DATE FILED _____ DOCKET NUMBER: _____ PLAINTIFF(S): _____ DEFENDANT(S): _____ |

| | |
|------------------|--|
| SECTION V | |
|------------------|--|

The undersigned subscribes and affirms as true under the penalties of perjury as follows: that the undersigned has the right and authority to sign and submit this proof of claim; that the undersigned has read the foregoing Proof of Claim and knows the contents thereof; that the said claim against Commercial Casualty Insurance Company of North Carolina in Liquidation is true to the best of the undersigned's own knowledge except as matters therein stated to be alleged upon information and belief and as to those matters the undersigned believes to be true; that no payment of or on account of the aforesaid claim has been made except as above stated; that there are no offsets or counterclaims thereto; and that the undersigned is not a secured creditor or claimant, or has no security interest except as stated above.

If the foregoing Proof of Claim alleges a claim against a Commercial Casualty insured (Third Party Claim), the undersigned hereby releases any and all claims which have been or could be made against such Commercial Casualty insured based on or arising out of the facts supporting the above Proof of Claim up to the amount of the applicable policy limit and subject to coverage being accepted by the Liquidator, regardless of whether any compensation is actually paid to the undersigned. If coverage is avoided by the Liquidator, this release becomes null and void.

 Claimant Signature _____
 Date

INSTRUCTIONS FOR COMPLETING PROOF OF CLAIM FORM

This proof of claim form is used for filing a claim against Commercial Casualty Insurance Company of North Carolina, in Liquidation (Commercial Casualty). If you have a claim to pursue against Commercial Casualty, you must file a completed proof of claim form with the Liquidator by the bar date. To file by the bar date the proof of claim form must be **postmarked no later than June 30, 2006 or received by Liquidator no later than 5:00 PM EDT on June 30, 2006**. Failure to file a timely claim may result in denial of your claim or consideration of your claim.

Please print legibly in ink or type. Complete all of the applicable sections and blanks, read and sign. Attach additional sheets as necessary. In the event you do not know certain information, please write "unknown". You may supplement your proof of claim when you have more information, provided you do so promptly after you obtain the information. If you have more than one claim against Commercial Casualty a separate proof of claim must be submitted for each claim. You may make copies of the proof of claim form, request additional copies from the Liquidator using the address above or download the form from the Liquidator website at www.radtrust.com. A proof of claim must be filed even if a claim was made against Commercial Casualty prior to liquidation. You are advised to keep a completed copy for your records.

Whenever a claim is based upon an instrument in writing, a copy of the document should be attached to the proof of claim. If the document has been destroyed, a statement of the facts and circumstances of the loss must be filed, under oath, with this claim. The right (but not the obligation) to request additional supporting information is retained by the Liquidator. The failure to promptly provide such additional information may result in denial of the claim.

Section I:

Complete requested contact and policy information. Ensure claimant's address is current including a correct zip code. **You are required to notify the liquidator of your change of address. If you fail to do so, you may jeopardize recovery from this estate.**

Section II:

Please denote the type of claim you are making against Commercial Casualty:

1. A **policy benefit** claim represents unpaid claims arising under the policies issued by Commercial Casualty. These claims include a loss by the insured of Commercial Casualty under a Commercial Casualty insurance policy or a liability claim against an insured of Commercial Casualty. **Even if you have a claim already pending with Commercial Casualty you must file a proof of claim**, but it is not necessary for you to attach additional documentation. **If this is a new claim**, complete the form and attach documentation to support the claim. *If your claim is a contingent claim under an insurance policy, please note as such. If a policy was renewed, a claim should be filed for each policy number for which you want to file.*
2. Claim of a **general creditor** includes outstanding attorney fees, adjuster fees, vendors, landlords, lessors, consultants, cedants, and reinsurers. Attach copies of all outstanding invoices to this form.
3. Claims for **agent balances** refers to outstanding agents earned commissions. Attach a complete accounting by policy/contract in support of your claim.
4. **Any other** type of claim includes outstanding claims not listed above such as stockholder, employee, taxes, license fees, assessments, etc. Describe your claim and attach copies of supporting information. Note: If your claim is for the **RETURN OF UNEARNED PREMIUM or other premium refunds**, you do **NOT** need to complete this form.

Section III:

Complete requested claim information including a concise statement of the facts giving rise to your claim in a **separate attachment**.

Section IV:

Complete regarding legal representation and/or legal actions. The name, address, and telephone number of the claimant's attorney, if any, must be shown. Attach additional sheets as necessary.

Section V:

The claimant needs to sign and date the form affirming the accuracy of the information provided. **Note: N.C. General Statute §58-2-161(b) provides in substance that any person who, with the intent to deceive, injure or defraud an insurer, presents or causes to be presented a written or oral statement in support of a claim for payment or other benefit pursuant to an insurance policy, knowing that the statement contains false or misleading information material to the claim, is guilty of a Class H felony.**

Filing:

A complete and signed proof of claim form must be postmarked no later than June 30, 2006 or received by Liquidator no later than 5:00 PM EDT on June 30, 2006. Submit to the Liquidator at the following address:

Proof of Claim Department
Liquidator of Commercial Casualty Insurance Company of NC
P.O. Box 926270
Norcross, GA 30010-6270

Note:

After all claims against this company are evaluated by the Liquidator and approved by the Court, approved claims will be paid by priority level based on available funds in accordance with N.C. General Statute §58-30-220. The amount of the payment will depend on the assets recovered. The amount to be paid on an individual claim, if any, will not be known until all claims are evaluated and assets are recovered. In any event, payment will not be made for several years.

The Liquidator's receipt of this proof of claim form does not constitute any waiver or relinquishment by the Liquidator of any defense, setoff, or counterclaim that may exist against any person, entity or governmental agency, regarding any actions pursued by the Liquidator of Commercial Casualty Insurance Company of North Carolina on behalf of Commercial Casualty Insurance Company of North Carolina claimants, policyholders and creditors.